

532-GASHU

7 June 1951

SUBJECT: DTAgenda

1. The above is not to be misconstrued in any way to suggest abdication of the contract. A great deal of fault is the fact that while some bona fide has been generated here, DTAgenda's very own Chairman, Managing Director (and it's irregularity) have denied Replenishment which we had assured lift ready. (DTAgenda is supposed with the support provisions; it is not unique.) Attn:

The problem is clear and should be overhauled.

1. Since DTAgenda is entering its ninth month in MCBrink and the grandparents of this union might be rightfully expecting results (or so the contract intimated) it might be well to have a frank discussion on prospects.

2. Despite diligent and almost frustrating efforts on the part of [] several inherent factors have combined to rebuff any progress in making DTAgenda, MCBrink, a self-sustaining proposition. Chief inhibitor is the bald sterility of LCFIline. Official controls and export from LCFlines merely impossible, if unpredictable -- and if there were anything valuable to export besides LCFIline. The irregularity of DTAgenda calls dull the best salesmanship available, something which is a problem DTAgenda knows intimately and knowingly suffers. Even with BGRhythm's tip-off, arrival dates here are too indefinite and usually too immediate to ready cargo, a painful process that usually umps in lethal red tape.

3. DTAgenda is aware of all this and the greater details that have been carefully reported. [] has pursued the assignment with faithful intent as the consideration of bona fide in DTAgenda testify. DTAgenda's main hope now for its MCBrink office is for [] to effect certain exceptions in the exorbitant gasoline taxes levied on non-scheduled carriers. That would be considered an achievement, a truly notable savings in operations.

4. In summary, DTAgenda most certainly will not be self-sustaining during the first year of their contract. This situation, because of local economic restrictions and numerous controls, will not improve greatly until DTAgenda is blessed by RECURIE authorities to call on schedule. Since DTAgenda is aware of these bleak prospects through its company channels, it is well that, when reviewing the contract and reconciling the accounting, your office be equally aware of this unavoidable destitution.

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCES/METHODS/EXEMPTION 3828
KAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

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less released in writing by the Government from such obligation), with full knowledge that violation of such secrecy may subject the Corporation to criminal prosecution under the Espionage Laws of 25 June 1948, as amended. It is further

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5. The above is not to be misconstrued in any way to suggest [] A great deal of fault is the fact that while some business has been generated here, DTAagenda's heavy commitments in other quarters (and it's irregularity) have denied [] equipment when he had outbound lift ready. (DTAagenda is acquainted with this awkward problem; it is not unique.)

6. []

[]

[]

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MEMORANDUM OF AGREEMENT

Agreement made this _____ day of November 1950 between the United States of America (hereinafter called "the Government"), represented by the Contracting Officer executing this Agreement, and a corporation organized and existing under the laws of the State of _____ (hereinafter called "the Corporation").

1. Subject. The Corporation will furnish necessary aircraft and selected personnel for the purpose of conducting such flights as may be determined by the authorized representative of the Contracting Officer and are acceptable to the Corporation. Such flights shall be referred to as "directed flights."

2. Repairs. The Corporation shall bear the expense of making all repairs and replacements to such aircraft occasioned by (a) usual operating conditions, (b) its negligence, or (c) the negligence of its employees.

3. Damage, Loss, or Destruction of Aircraft. The Government agrees to pay the Corporation for damage, loss, or destruction to its aircraft while engaged in directed flights; provided such damage, loss, or destruction is not the result of fault or negligence on the part of the personnel of the Corporation.

the use of selected personnel

4. Compensation. The Government shall pay the Corporation the sum of \$400.00 for each directed flight and said sum, ~~except as otherwise provided herein~~, shall constitute payment in full for ~~the use of necessary aircraft and personnel~~.

5. Reimbursement. The Government and the Corporation shall agree with respect to the amount which may be expended by the Corporation in obtaining suitable life insurance coverage for selected personnel. Such amount shall be reimbursed to the Corporation as a specific item of reimbursement. In the event the Corporation is unable to obtain suitable life insurance coverage, selected personnel shall be authorized to make insurance arrangements privately, the expense of which shall ultimately be borne by the Government as a recognizable expense of this Agreement. The meaning of the term "suitable life insurance" as used in this paragraph shall be agreed on between the Government and the Corporation prior to executing any insurance policies.

6. Status of Selected Personnel. This Agreement is between the Government and the Corporation for the use of necessary aircraft and selected personnel, and no relationship whatsoever is created between said selected personnel and the Government by this Agreement.

7. Space Commitments. ~~In the event the Corporation has space committed in conducting its normal operations and said space is released to the Government for use in connection with directed flights, then the Government shall bear the appropriate charge.~~ *shall be paid for all space utilized by the govt at the rate of one and one-half times the usual charge.*

8. Term. The term of this Agreement shall be for one year from the effective date hereof provided either party hereto may terminate upon thirty days prior actual notice to the other.

9. Security. The Corporation shall be required to keep forever secret this Agreement and all information which may be obtained by reason hereof (unless released in writing by the Government from such obligation), with full knowledge that violation of such secrecy may subject the Corporation to criminal prosecution under the Espionage Laws of 25 June 1948, as amended. It is further

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understood and agreed that absolute secrecy is an essential condition of this Agreement, and revelation to any person or persons outside the Government, unless otherwise authorized, of any relationship created under this Agreement will be considered termination by breach of contract.

IN WITNESS WHEREOF, the Government and the Corporation have caused this Agreement to be signed and sealed, intending to be legally bound thereby.

UNITED STATES OF AMERICA

BY: _____
Authorized Contracting Officer

THE CORPORATION

BY: _____

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UNITED STATES OF AMERICA

BY: _____

Authorised Contracting Officer

THE CORPORATION

BY: _____

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Interview with []

8/11/50

to laid the proposition before him of
deceiving one of his crews for operational
use.

After initial hesitation he said he felt
something might be worked. Status—

- ① He left biog. forms which he will send to
[] box of "old hands" he believes
would be willing form such a crew.
- ② He would use a 4-engine plane. Clearance
report would have to be delayed at point origin
several hours to prevent automatic rescue
system going into effect
- ③ He would want—
 - a) Bonus for crew members & insurance
 - b) Guarantee of indemnification if
aircraft crashed (for plane and any damage)
 - c) Comprehensive briefing on opposition (countermeasures)
- ④ Rates for pseudo cargo would have to
be prepared.
- ⑤ Will send me ~~#~~ memo on all points
where difficulties may be
encountered, and his suggestions
within ten days.

[] [] ([]) []

- 1) \$100.00 Bonus
per. Flt. for Crew.
- 2) ✓ 10,000 Indemnity for
each Crew member
- 3) Reimbursement To
Company for Damage
or loss of Aircraft.
- 4) Payment To Company
for unsold Cargo
space on Flts Requested.

Question of increased
Bonus allowing ind
crew members to carry
own Insurance